

CORRECTED
MONTANA PUBLIC SERVICE COMMISSION
UTILITY DIVISION
AGENDA NO. 07-05-15

Date Published: May 10, 2007
For Work Week Commencing: May 14, 2007
Commission Meeting: May 15, 2007, 9:00 a.m.

General Introduction This agenda is the Commission's Utility Division agenda for the work week designated. In the later part of each week (generally, Thursday by 2:00 p.m.) prior to the work week to which an agenda pertains, the agenda is posted on the public information bulletin board at the Commission offices, deposited in the mail directed to all persons who have properly requested notice by mail, emailed to all persons who have properly requested notice by email, and posted to the Public Service Commission's worldwide web site located at <http://www.psc.mt.gov>.

Place of Meetings All meetings are held at the Commission offices, 1701 Prospect Avenue, Helena, Montana, unless otherwise noted.

Live audio feed Unless otherwise noted on this agenda, all Commission meetings held during regular business hours that are noticed on this agenda will be webcast live via the audio feed link on the PSC website (<http://psc.mt.gov/eDocs/#Calendars>). The audio feeds of meetings are also archived at the same website location.

Inquiries General inquiries concerning this Utility Division agenda and subscribing to notice by mail may be made to Kate Whitney at (406) 444-3056. She may refer inquiries to another person within the agency.

Accommodation for Persons with Disabilities Anyone needing an accommodation for physical, hearing, or sight impairment in order to attend a scheduled meeting should contact the Commission secretary at (406) 444-6199 sufficiently prior to the meeting to allow accommodations to be made.

9:00 a.m. Weekly Scheduling (Commission Conference Room – No Web Audio Feed)

9:30 a.m. Business (Bollinger Room)

Public Comments

Action Items All items identified below are for action at the Commission business meeting.

1. NorthWestern Energy N2007.4.42 (Eric D)

On April 25, 2007, NorthWestern Energy (NWE) filed a request for approval to implement four new Therm billing zones. The proposed Therm billing zones are identified as Zones 25, 26, 27, and 28, and are currently included within the existing Therm billing Zone 13. Implementation of the new Therm billing zones is necessary as the gas flow characteristics on NWE's gas transmission system have the potential to change significantly

during the winter heating season due to gas load increases in the Butte area. Implementation of the four new Therm Billing Zones will ensure customers continue to be billed equitably. Probable Motion: Approve the establishment of NWE's Heating Zones 25, 26, 27, and 28.

2. Qwest Corporation N2007.5.43 (Gary)

On May 1, 2007 Qwest Corporation (Qwest) filed for Commission approval Multi-State Agreement (MSA) between Qwest and Laboratory Corporation of American Holdings (Laboratory Corporation). Qwest is filing the MSA with the Commission for approval pursuant to Section 2.18 (Large Business Customers With a Multi-State Presence) of its Exchange and Network Service Tariff, and pursuant to the Commission's April 16, 2004 Notice of Commission Action (NCA) in Docket N2003.10.149. Also pursuant to the NCA, Qwest filed proprietary cost information. The MSA is the result of Qwest's response to a request for bid from Laboratory Corporation. The services being purchased are business services and packages sold under the Qwest Line Volume Advantage program. These services are available from other competitive carriers in addition to Qwest.

Probable Motion: Move to approve the Qwest Corporation/Laboratory Corporation of American Holdings in Docket N2007.5.43.

3. Qwest Corporation D2004.9.146 (Phil)

On September 2, 2004 Qwest filed a Petition for Amendment of Administrative Rule 38.5.3339 by adding a new subsection 5(c) related to termination of customers that breached late payment agreements with Qwest. This rule amendment was resolved when the Commission adopted its revised Telecommunications Service Standards in December 2006. Probable Motion: Move to close docket.

4. Qwest Corporation D2004.12.200 (Phil)

On December 17, 2004 Qwest filed a Petition for Waiver of ARM 38.5.3339 (5) (b) pertaining to notice requirements a carrier is obligated to provide a customer when late payment arrangements have been negotiated and broken. The waiver was resolved when the Commission adopted its revised Telecommunications Service Standards in December 2006. Probable Motion: Move to close docket.

5. Qwest Corporation N99.10.230 (Phil)

On April 27, 2007 Qwest requested to discontinue providing the monthly service quality reports to the Commission that has been filed in this docket. The monthly service quality reports in this docket had been requested by the Commission in order to monitor Qwest's continuing compliance with the Commission's service standards subsequent to the expiration of the Qwest/PSC service quality settlement agreement in Lewis and Clark County Cause No. CDV 94-1877. Probable Motion: Move to close docket.

Work Sessions All items identified below are for Commission discussion or action on the day designated.

1. D2007.2.21 – 3 Rivers Telephone Cooperative, Inc. – Petition for Arbitration of Interconnection Agreement – Consider 3 Rivers' unopposed motion to withdraw its petition. (05/15/07)
2. D2005.12.174 – Level 3 Communications – Arbitration of Interconnection Agreement – Consider and act on Level 3's request to withdraw petition. (05/15/07)
3. Federal State Joint Board on Universal Service Seeks Comment on Long Term, Comprehensive High-Cost Universal Service Reform. CC 96-45 – Discuss the filing of reply comments by the July 2, 2007 deadline. (05/15/07)
4. FCC request for comments on petition by State E-Rate Coordinators for clarification and/or waiver of e-rate re: technology plan creation and approval – Decide whether to submit reply comments to FCC. (05/15/07)

5. D2005.6.105 – PSC initiated – Investigation of Qwest’s use of federal universal service funds – Discuss and act on draft (1) Report on Investigation, (2) Notice, and (3) Procedural Schedule. (05/15/07)
6. D2006.10.143 – Qwest Customers – Formal Complaint-Qwest earnings – Act on proposed procedural schedule. (05/15/07)
7. D2007.3.32 – Bonneville Power Administration – Declaratory ruling request to disclaim jurisdiction – Consider and act on BPA request. (05/15/07)
8. D2007.3.26 – Northridge Water Company – Interim Initial Rates – Direction or Decision on Interim Initial Rates. (05/15/07)
9. D2006.8.130 – Energy West - Continuation of Environmental Surcharge - Discussion and decision on draft Final Order. (05/15/07)
10. D2007.4.39 – NorthWestern Energy – Request for an Accounting Order Authorizing the Accumulation of the Cost of Funding Participation in Northern Tier Transmission Group – Discuss and act on request for an accounting order.(05/15/07)
11. Out of state Travel – Approve staff travel requests - (05/15/07)

Weekly Scheduling – Will be held at 9:00 a.m. on the day of the Commission Meeting

Notice Items All items identified below are noticed for public participation purposes. Unless otherwise stated in the text of the notice, the items will be action items on the next following agenda or a subsequent agenda and participation may be had by submitting written comments to the Public Service Commission, 1701 Prospect Avenue, P.O. Box 202601, Helena, Montana, 59620-2601, within 5 calendar days following publication of this agenda. Public comments on a noticed matter may also be submitted within the required time through the PSC's web-based comment form at <http://psc.mt.gov/Consumers/comments>. Comments should reference the docket number of the matter.

1. Qwest Corporation N2007.5.47 (Gary)

On May 7, 2007 Qwest Corporation (Qwest) filed for Commission approval a Multi-State Agreement (MSA) between Qwest and H&R Block Services, Inc. (H&R Block). Qwest is filing the MSA with the Commission for approval pursuant to Section 2.18 (Large Business Customers With a Multi-State

Presence) of its Exchange and Network Service Tariff, and pursuant to the Commission's April 16, 2004 Notice of Commission Action (NCA) in Docket N2003.10.149. Also pursuant to the NCA, Qwest filed proprietary cost information. The MSA is the result of Qwest's response to H&R Block in a formal competitive bid process for certain business services. These services are available from other competitive carriers in addition to Qwest.

Protective Orders – Notice Items The Commission has received the following requests for protective order pursuant to ARM 38.2.5007. The Commission will rule on the requests no earlier than 10 days after the publication date of this agenda. Comments on the requests may be submitted at any time prior to ruling. Any person wanting a copy of a protective order request should contact the Commission at (406) 444-6199.

1. NorthWestern Energy D2007.5.44 (Martin)

On May 2, 2007, NWE filed a motion for protective order to govern disclosure of information to be provided in this docket, which is NWE's annual true-up of monthly natural gas cost changes, cost projections, and account balances. NWE maintains that the information is trade secret and confidential business information and projectile from uncontrolled public disclosure on those bases. The information for which protection is requested includes detailed actual and forecast monthly gas costs, volumes, locations of delivery, supplier identifications, storage and transportation utilization, and related invoices, and identification of suppliers in negotiations for sale of gas, the related costs, volumes, and locations of delivery associated with negotiations, and News's evaluations of the suppliers and supplies.

2. Qwest Corporation N2007.5.48 (Jim)

On May 9, 2007 Qwest Corporation filed a motion for protective order seeking protection of the following annual report information: (1) the wire center customer-count detail provided in Schedule 23; and (2) the compensation information of Qwest's ten highest paid Montana employees in Schedule 27.

Protective Orders – Information Items The Commission has issued the following protective orders. These orders may be challenged pursuant to ARM 38.2.5008. Copies of these orders may be obtained by calling the Commission at (406) 444-6199.

Information Items All items identified below are for information only.

New Filings Received in Past Week

N2007.5.47 – Qwest Corporation – Master Services Agreement between Qwest Corporation and H&R Block Service Inc.

N2007.5.48 – Qwest Corporation – Motion for Protective Order